

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION**

In re:)	
)	Case No. 05-21207
ASARCO LLC, et al.)	Chapter 11
)	
<u>Debtors.</u>)	

**SETTLEMENT AGREEMENT REGARDING THE
IRON MOUNTAIN SITE**

WHEREAS, the Iron Mountain Site (“Site”) is located in Mineral County, Montana near the Town of Superior;

WHEREAS, various entities, including but not limited to predecessors of ASARCO LLC (“ASARCO”), engaged in mining activities at the Site during the period from 1888 to approximately 1953;

WHEREAS, the United States Department of Agriculture, Forest Service (“Forest Service”), the U.S. Environmental Protection Agency (“EPA”) and the Montana Department of Environmental Quality (“DEQ”) have conducted various investigations of environmental conditions at the Site;

WHEREAS, as a result of mining activity the United States, on behalf of the Forest Service, and DEQ have alleged that waste rock and tailings containing hazardous substances have come to be located in various areas of the Site, including areas currently owned by ASARCO, areas currently owned by Stimson Lumber Company, portions of the Lolo National Forest and portions of the Town of Superior, as well as portions of Flat Creek;

WHEREAS, the United States, on behalf of the Forest Service, and DEQ have further alleged that water containing hazardous substances has been and continues to be discharged from the Iron Mountain Mine;

WHEREAS, the United States, on behalf of the Forest Service, and DEQ have alleged that ASARCO is a potentially responsible party under the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. §§ 9601 *et seq.*, with respect to the Site;

WHEREAS, DEQ has alleged that ASARCO is a potentially liable person under the Comprehensive Environmental Cleanup and Responsibility Act (“CECRA”), MCA §§ 75-10-701, *et seq.*, with respect to the Site;

WHEREAS, the United States, on behalf of the Forest Service, alleged that it has incurred past response costs, and will incur additional future response costs, under CERCLA in connection with the Site for which ASARCO allegedly is liable and DEQ has alleged that it has incurred past response costs, and will incur additional future response costs, under CERCLA and CECRA;

WHEREAS, ASARCO filed with the United States Bankruptcy Court for the Southern District of Texas a voluntary petition for relief under Title 11 of the United States Bankruptcy Code on August 9, 2005 (the “Bankruptcy Case”);

WHEREAS, the United States, on behalf of the Forest Service, filed Proofs of Claim in the Bankruptcy Case (numbers 8375 and 10746) setting forth claims against ASARCO under Section 107 of CERCLA for various past and future response costs as defined under CERCLA, and DEQ filed Proofs of Claim against ASARCO as well as ASARCO Consulting, Inc., ASARCO Master, Inc. and American Smelting and Refining

Company (numbers 10524, 10525, 10526 and 10527) setting forth claims under CERCLA and CECRA for various past and future response costs as defined under those statutes;

WHEREAS, ASARCO has disputed the claims with respect to the Site filed by the United States and DEQ as set forth in the Proofs of Claim and various expert reports submitted by the United States and DEQ;

WHEREAS, the Court established a process for estimating the claims of the United States and DEQ with respect to the Site, including the use of mediation;

WHEREAS, having entered into mediation, the United States, on behalf of the Forest Service, DEQ and ASARCO (collective the “Parties”) desire to settle, compromise and resolve their disputes without the necessity of an estimation hearing;

WHEREAS, in consideration of, and in exchange for, the promises and covenants herein, the parties hereby agree to the terms and provisions of this Settlement Agreement (“Settlement Agreement”); and

WHEREAS, this Settlement Agreement is in the public interest and is an appropriate means of resolving this matter.

NOW, THEREFORE, without the admission of liability or any adjudication on any issue of fact or law, and upon the consent and agreement of the parties by their attorneys and authorized officials, it is hereby agreed as follows:

I. JURISDICTION

1. The Bankruptcy Court has jurisdiction over the subject matter hereof pursuant to 28 U.S.C. §§ 157, 1331, and 1334. The First Judicial District Court of the State of

Montana has jurisdiction over the subject matter set forth in Section V after the Effective Date.

II. PARTIES BOUND; SUCCESSION AND ASSIGNMENT

2. This Settlement Agreement applies to, is binding upon, and shall inure to the benefit of the parties hereto, their legal successors and assigns, and any trustee, examiner or receiver appointed in the Bankruptcy Case.

III. DEFINITION OF SITE

3. For purposes of this Settlement Agreement, the Site shall be defined as the area covered or formerly covered by the Iron Mountain, Iron Tower, Surprise, Belle of the Hills and Kennebec patented lode mining claims, the Dillon, Iron Mountain, Kennebec and Iron Tower patented millsite claims and the Marietta patented placer claim as well as Lot 1, the NE $\frac{1}{4}$ NE $\frac{1}{4}$, and the W $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 14, and the SE $\frac{1}{2}$ NE $\frac{1}{4}$, the NW $\frac{1}{4}$ NE $\frac{1}{4}$, and the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15 of T17N, R26W, P.M.M.; Mineral County, Montana. The Site shall include any areas where hazardous substances released from the Site have come to be located, including such areas downstream of the lode, millsite and placer claims extending to the confluence of Flat Creek with the Clark Fork River (including the floodplain of Flat Creek) and shall specifically include areas where mine wastes have come to be located within the Town of Superior, Montana. For purposes of this Settlement Agreement, "Flat Creek Tailings" shall mean the approximately 10,000 cubic yards of tailings in Flat Creek described in: (a) EPA, Preliminary Assessment, Iron Mountain Mill, July 21, 2001, (b) URS for EPA, Analytical Results Report for Focused Site Inspection, Iron Mountain Mill, Superior, Mineral County, Montana, January 24, 2002, (c) MCS for the Forest Service, Final Site Investigation Report, Flat Creek

Tailings, Lolo National Forest, February 18, 2004, and (d) Expert Report of William H. Bucher, Cost Estimates of Remedial Actions, Iron Mountain Mine Complex, Mineral County, Montana, June 15, 2007.

IV. ALLOWANCE OF CLAIMS

4. In settlement and satisfaction of all claims and causes of action of the United States, on behalf of the Forest Service, with respect to costs of response incurred or to be incurred in connection with those portions of the Site not currently owned by ASARCO and with respect to Flat Creek Tailings on those portions of the Site that are currently owned by ASARCO (including but not limited to the liabilities and other obligations asserted in the Proofs of Claim and other pleadings filed in the Bankruptcy Court by the United States), the United States, on behalf of the Forest Service, shall have an allowed general unsecured claim in the total amount of \$500,000.

5. In settlement and satisfaction of all claims and causes of action of DEQ with respect to costs of response incurred or to be incurred in connection with the Site (including but not limited to the liabilities and other obligations asserted in the Proofs of Claim and other pleadings filed in the Bankruptcy Court by DEQ but excepting claims related to future response actions as set forth in Section V), DEQ shall have an allowed general unsecured claim in the total amount of \$1,700,000 for past and future response costs. DEQ agrees that, within 30 days of the Effective Date, it will withdraw its proofs of claim with respect to the Site from the following Proofs of Claim: ASARCO Master, Inc. (number 10526), ASARCO Consulting, Inc. (number 10525) and American Smelting and Refining Company (number 10527). Such withdrawal shall be in a form satisfactory to DEQ and ASARCO. Upon receipt of any cash distributions paid under this Settlement

Agreement, DEQ will deposit the funds into a State special revenue fund, as provided for in MCA Section 17-2-102(1)(b)(i), to be known as the “Iron Mountain Special Revenue Fund” (“Iron Mountain Fund”) which shall be held and maintained by DEQ for the purposes of performing response actions in connection with the Site. All interest and earnings on the Iron Mountain Fund shall be paid into the Iron Mountain Fund, and no portion of the Iron Mountain Fund or any earnings on the Iron Mountain Fund is to be treated as a general revenue source or as State General Fund money, nor is any portion to be converted or transferred to the State General Fund, and may not be transferred to any other fund except as provided herein. Upon completion of all response actions at the Site, including any long-term monitoring, the remaining balance of the Iron Mountain Fund, if any, shall be transferred to the Environmental Quality Protection Fund established at MCA § 75-10-704. Any non-cash distributions to DEQ under this Settlement Agreement will be made in accordance with instructions provided by DEQ.

6. All allowed claims under this Settlement Agreement shall not be subordinated to other general unsecured claims pursuant to any provisions of the Bankruptcy Code or other applicable law that may be contended to authorize or provide for subordination of allowed claims, including without limitation sections 105 and 510 of the Bankruptcy Code.

7. Although the claims granted to the United States herein are described as general unsecured claims, this description is without prejudice to the United States’ alleged secured right of set-off against ASARCO’s claim for tax refunds and nothing in this Settlement Agreement shall modify or waive such alleged secured claim of set-off.

8. With respect to the allowed unsecured claims set forth in Paragraphs 4 and 5 for the United States, on behalf of the Forest Service, and DEQ, respectively, only the amount of cash received by each such agency (and net cash received by each such agency on account of any non-cash distributions) under this Settlement Agreement for the allowed general unsecured claims and not the total amount of the allowed claims, shall be credited by each such agency to its account for the Site, which credit shall reduce the liability to such agency of non-settling potentially responsible parties for the Site by the amount of the credit.

V. WORK TO BE UNDERTAKEN BY ASARCO

9. ASARCO will negotiate in good faith an Administrative Order on Consent (“AOC”) with DEQ pursuant to CECRA for the investigation and analysis of remedial options and implementation of the remedy with respect to the Iron Mountain Tunnel mine dump area and discharge from the Iron Mountain Tunnel adit as well as the Iron Mountain millsite. The AOC will address the following areas:

a. ASARCO will retain responsibility for and, at its own expense, will undertake remediation activities at the Iron Mountain Tunnel mine dump area in accordance with the requirements of CECRA. ASARCO will initially evaluate and document the extent to which re-routing potential Hall Gulch flow around the mine dump and revegetating the mine dump can be designed and implemented in a manner that meets the requirements of CECRA, including attainment of state water quality standards, and ASARCO will then implement the DEQ-approved remedial actions to address this area.

b. ASARCO will retain responsibility for and, at its own expense, will construct, operate and maintain a treatment system for the water being discharged from

the Iron Mountain Tunnel adit. ASARCO will initially evaluate and document the extent to which a passive groundwater treatment system can be designed and implemented in a manner that meets the requirements of CECRA, including attainment of state groundwater quality standards. ASARCO will then implement the DEQ-approved remedial actions to address this discharge. Under the AOC, DEQ will work with ASARCO in good faith to address any permit requirements that may be applicable to the discharge from the treatment system or to determine that any such permit requirements may be waived by DEQ. ASARCO shall provide financial assurance in an amount sufficient for operating and maintaining the water treatment system to the extent and in a form provided for by applicable law, including MCA Sections 75-10-719(9) and 75-10-721(7), once the treatment system is constructed.

c. ASARCO will retain responsibility for and, at its own expense, will undertake reclamation activities at the Iron Mountain millsite, including revegetation but not including any tailings removal, as outlined generally under Option 2, Task 4 in the Expert Report of William M. Bucher dated June 15, 2007, provided that the revegetation to be undertaken by ASARCO will include revegetation of areas at the Iron Mountain millsite from which tailings are removed.

VI. OTHER OBLIGATIONS OF ASARCO WITH RESPECT TO OWNED PROPERTY

10. Subject to the covenants not to sue set forth in Section VII (and the reservations of rights set forth in Section VIII), after the Effective Date ASARCO will retain responsibility pursuant to applicable laws for property within the Site that ASARCO currently owns. Subject to the reservations of rights set forth in Section VIII, ASARCO will not be responsible for any response actions to be undertaken by the United States, on

behalf of the Forest Service, or DEQ at the Site and ASARCO shall not be required to pay for any such response actions beyond the claims to be allowed under Section IV of this Agreement. For purposes of this Settlement Agreement, “response actions” includes both “removal actions” and “remedial actions” under CERCLA and “remedial action” under CECRA.

11. With respect to any properties at the Site owned by ASARCO, ASARCO agrees to provide reasonable access for any response actions to be conducted by the United States, on behalf of the Forest Service, or DEQ (including but not limited to removal of tailings). ASARCO shall refrain from using any property owned or controlled by ASARCO in any manner that would interfere with or adversely affect the implementation, integrity, or protectiveness of the response actions, or otherwise interfering with implementation or maintenance of such response actions. In addition, if the United States, on behalf of the Forest Service, or DEQ determine that institutional controls are needed to implement the response actions, ensure the integrity and protectiveness thereof, or ensure non-interference therewith, then ASARCO shall cooperate with the United States’ or DEQ’s efforts to secure such institutional controls in areas subject to response actions, including, if required, by filing the appropriate covenants, easements, or other restrictions on portions of the Site owned by ASARCO where response actions have been taken or where hazardous substances have come to be located or within a reasonable distance of such locations.

12. ASARCO acknowledges that the United States, on behalf of the Forest Service, and DEQ intend to remove the Flat Creek Tailings from property currently owned by ASARCO at the Site and from other property along Flat Creek not owned by ASARCO

and that any such tailings will be placed in a repository to be determined by the Forest Service and DEQ, which will be located on property not owned by ASARCO. ASARCO will not be responsible for the removal of the Flat Creek Tailings on property it currently owns and will not be responsible for revegetating areas from which tailings are removed except for the areas on the Iron Mountain millsite from which tailings are removed.

13. Upon request and to the extent not previously provided, ASARCO shall provide to DEQ copies of all documents and information within its possession, custody, or control or that of its contractors or agents relating to the implementation of this Settlement Agreement, specifically including the response actions contemplated by the Settlement Agreement, which includes electronic and hard copies of all non-confidential documents pertaining to sampling, analysis, chain of custody records, manifests, trucking logs, receipts, reports, correspondence, or other documents or information related to any work to be performed at the Site.

14. Nothing herein is intended to transfer either liability or a property interest from ASARCO to the United States, DEQ, or any other person. Any change in property status or ownership shall in no way alter ASARCO's responsibilities under this Section.

VII. COVENANTS NOT TO SUE

15. With respect to those portions of the Site not currently owned by ASARCO and with respect to Flat Creek Tailings on those portions of the Site that are currently owned by ASARCO (including releases of hazardous substances from such portions of the Site, and all areas affected by natural migration of such substances from such portions of the Site) and except as specifically provided in Section VIII (Reservation of Rights), the United States, on behalf of the Forest Service and EPA, covenants not to sue or assert any civil claims or causes of action against ASARCO pursuant to Sections 106, 107(a) or

113(f) of CERCLA, 42 U.S.C. §§ 9606, 9607(a), and 9613(f); Section 7003 of RCRA, 42 U.S.C. § 6973; CECRA or any other similar state law; or with respect to any liabilities or obligations asserted in its Proofs of Claim.

16. With respect to the Site (including releases of hazardous substances from any portion of the Site and all areas affected by natural migration of such substances from the Site) and except as specifically provided in Section VIII (Reservation of Rights), DEQ covenants not to sue or assert any civil claims or causes of action against ASARCO pursuant to Section 106, 107(a) or 113(f) of CERCLA, 42 U.S.C. §§ 9606, 9607(a) and 9613(f); Sections 711, 714, 715(2) and 722 of CECRA; or with respect to any liabilities or obligations asserted in its Proof of Claim. DEQ further covenants not to sue or assert any civil claims or causes of action against ASARCO pursuant to Section 301(a), 309(b) or 311 of the Clean Water Act, 33 U.S.C. § 1311(a), 1319(b), 1321; or Sections 601, 602, 611, 613, 614 (except with respect to enforcement of an emergency order under Section 621), 615, 617, 631 and 635 of the Montana Water Quality Act for any discharges from the Iron Mountain Tunnel through the Effective Date of this Settlement Agreement.

17. Subject to Section VIII (Reservation of Rights), DEQ agrees that the Settlement Agreement embodies the sole and exclusive obligations of ASARCO for the covenanted matters set forth in Paragraph 16 and that ASARCO shall not be responsible for response actions at the Site beyond those set forth in Section V.

18. This Settlement Agreement in no way impairs the scope and effect of ASARCO's discharge under Section 1141 of the Bankruptcy Code as to any third parties or as to any claims that are not addressed by this Settlement Agreement.

19. These covenants do not apply to activities or operations conducted by ASARCO at the Site after the Effective Date, including ASARCO's continuing obligations under Section V (Work to be Undertaken by ASARCO).
20. To the extent they relate to property owned by ASARCO, the covenants not to sue by DEQ set forth in Paragraph 16 shall become effective at such time as the AOC to be negotiated pursuant to Paragraph 9 is signed and becomes effective. Otherwise the covenants shall become effective on the Effective Date.
21. Without in any way limiting the covenants not to sue (and the reservations thereto) set forth in Paragraphs 15 and 16 and notwithstanding any other provision of this Settlement Agreement, such covenants not to sue shall also apply to ASARCO's successors and assigns, officers, directors, and employees, and to trustees of ASARCO appointed in the Bankruptcy Case, but only to the extent that their alleged liability is based solely on their status as and in its capacity as a successor or assign, officer, director, employee, or is based solely on its actions taken in its official capacity as trustee of ASARCO.
22. The covenants not to sue contained in Paragraphs 15 and 16 of this Settlement Agreement extend only to ASARCO and the persons described in Paragraph 21 above and do not extend to any other person. Nothing in this Settlement Agreement is intended as a covenant not to sue or a release from liability for any person or entity other than ASARCO, the United States, DEQ and the persons described in Paragraph 21. The United States, DEQ and ASARCO expressly reserve all claims, demands, and causes of action, either judicial or administrative, past, present or future, in law or equity, which the United States, DEQ or ASARCO may have against all other persons, firms, corporations,

entities, or predecessors of ASARCO for any matter arising at or relating in any manner to the sites or claims addressed herein.

23. Nothing in this Settlement Agreement shall be deemed to limit the authority of the United States or DEQ to take response actions under Section 104 of CERCLA, 42 U.S.C. § 9604, Sections 711 and 712 of CECRA, or any other applicable law or regulation, or to alter the applicable legal principles governing judicial review of any action taken by the United States or DEQ pursuant to such authority. Nothing in this Settlement Agreement shall be deemed to limit the information gathering authority of the United States or DEQ under Sections 104 and 122 of CERCLA, 42 U.S.C. §§ 9604 and 9622, Section 707 of CECRA, or any other applicable law or regulation, or to excuse ASARCO from any disclosure or notification requirements imposed by CERCLA, RCRA, CECRA or any other applicable law or regulation.

24. ASARCO covenants not to sue and agrees not to assert any claims or causes of action against the United States with respect to those portions of the Site not currently owned by ASARCO and with respect to Flat Creek Tailings on portions of the Site currently owned by ASARCO, including but not limited to: any direct or indirect claim for reimbursement from the Hazardous Substance Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. § 9507) through CERCLA Sections 106(b)(2), 107, 111, 112, 113, 42 U.S.C. §§ 9606(b), 9607, 9611, 9612, 9613, or any other provision of law; any claims against the United States including any of their departments, agencies or instrumentalities, under Section 107 or 113 of CERCLA, 42 U.S.C. §§ 9607, 9613; and any claims arising out of response activities at those portions of the Site not currently owned by ASARCO or with respect to Flat Creek Tailings on portions of the Site

currently owned by ASARCO. Nothing in this Settlement Agreement shall be construed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

25. ASARCO covenants not to sue and agrees not to assert any claims or causes of action against DEQ with respect to the Site, including but not limited to any direct or indirect claim for reimbursement or funding under state law, including any direct or indirect claim for reimbursement from the Environmental Quality Protection Fund (Section 704 of CECRA) or the Orphan Share Account (Section 743 of CECRA), any claims against DEQ under Section 107 or 113(f) of CERCLA, 42 U.S.C. §§ 9607, 9613(f); Sections 711, 714, 715(2) and 722 of CECRA; Sections 301(a), 309(b) or 311 of the Clean Water Act, 33 U.S.C. §§ 311(a), 319(b), 1321; Sections 601, 602, 611, 613, 614, 615, 617, 631 and 635 of the Montana Water Quality Act; and any claims arising out of response activities at the Site. Further, ASARCO covenants not to oppose or challenge the response actions adopted by DEQ for the Site.

VIII. RESERVATION OF RIGHTS

26. The covenants not to sue set forth in Section VII do not pertain to any matters other than those expressly specified therein.

27. The United States and DEQ reserve, and this Settlement Agreement is without prejudice to, all rights against ASARCO or other persons with respect to all other matters, including but not limited to (i) any action to enforce the terms of this Settlement Agreement (including any action to enforce the obligations of ASARCO set forth in Section V or Section VI); and (ii) liability under CERCLA, CECRA, the Clean Water Act, the Montana Water Quality Act, or any other federal or state law arising from the acts or omissions of ASARCO that are taken after the Effective Date. ASARCO's future

acts creating liability under CERCLA do not include continuing releases related to ASARCO's pre-petition conduct.

28. Nothing in this Settlement Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a party to this Settlement Agreement.

IX. CONTRIBUTION PROTECTION

29. The Parties hereto agree that, as of the Effective Date, ASARCO is entitled to protection from contribution actions or claims as provided by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), for matters addressed in this Settlement Agreement. The matters addressed in this Settlement Agreement include all past and future costs of response incurred or to be incurred by DEQ relating to or in connection with the Site. The matters addressed in this Settlement Agreement also include all past costs of response incurred by the United States relating to or in connection with the Site and all future costs of response to be incurred by the United States relating to or in connection with those portions of the Site not currently owned by ASARCO and with respect to Flat Creek Tailings in those portions of the Site that are currently owned by ASARCO.

X. PUBLIC COMMENT

30. This Settlement Agreement will be subject to a thirty (30) day public comment period following notice published in the Federal Register, which may take place concurrent with the judicial approval process under Paragraph 31 hereof. The United States and DEQ reserve the right to withdraw or withhold their consent if the public comments regarding the Settlement Agreement disclose facts or considerations that indicate that this Settlement Agreement is inappropriate, improper, or inadequate. At the conclusion of the public comment period, the United States will provide the Court with copies of any public comments and its response thereto.

XI. JUDICIAL APPROVAL

31. The settlement reflected in this Settlement Agreement shall be subject to approval by the Bankruptcy Court pursuant to Bankruptcy Rule 9019. ASARCO shall move promptly for court approval of this Settlement Agreement and shall exercise commercially reasonable efforts to obtain such approval.

XII. RETENTION OF JURISDICTION

32. This Court shall retain jurisdiction over both the subject matter of this Settlement Agreement and the Parties hereto, for the duration of the performance of the terms and provisions of this Settlement Agreement for the purpose of enabling any of the Parties to apply to the Court at any time for such further order, direction and relief as may be necessary or appropriate for the construction or interpretation of this Settlement Agreement, or to effectuate or enforce compliance with its terms; provided, however, that the Parties agree that DEQ may enforce ASARCO's obligations under Section V in the First Judicial District Court of the State of Montana.

XIII. EFFECTIVE DATE

33. The Effective Date of this Settlement Agreement shall be the date the Settlement Agreement is approved by the Court in accordance with Paragraph 31 hereof.

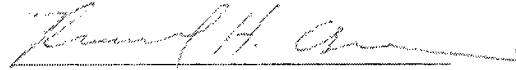
XIV. SIGNATORIES/SERVICE

34. The signatories for the Parties each certify that he or she is authorized to enter into the terms and conditions of this Settlement Agreement and to execute and bind legally such Party to this document.


THE UNDERSIGNED PARTIES ENTER INTO THIS SETTLEMENT AGREEMENT
REGARDING THE IRON MOUNTAIN SITE

FOR THE MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY:

Date: 5/7/08


Richard H. Opper
Director


Date: 5/7/08


Cynthia D. Brooks
Legal Counsel

THE UNDERSIGNED PARTIES ENTER INTO THIS SETTLEMENT AGREEMENT
REGARDING THE IRON MOUNTAIN SITE

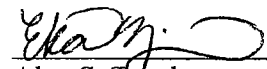
FOR THE UNITED STATES

Date: 8 May 2008



Ronald J. Tenpas
Assistant Attorney General
Environment and Natural Resources
Division
U.S. Department of Justice

Date: 5-8-08



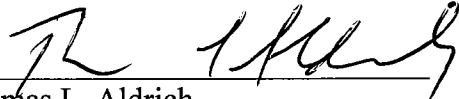
Alan S. Tenenbaum
David L. Dain
Erika Zimmerman
Environment and Natural Resources
Division
Environmental Enforcement Section
U.S. Department of Justice

THE UNDERSIGNED PARTIES ENTER INTO THIS SETTLEMENT AGREEMENT
REGARDING THE IRON MOUNTAIN SITE

FOR ASARCO:


Date:

May 20, 2008


Thomas L. Aldrich
Vice President, Environmental Affairs

Date:

May 20, 2008


Douglas E. McAllister
Executive Vice President, General Counsel